

May 12, 2010

**ITEM NO. A1**

**AUTHORIZATION TO EXERCISE THE THIRD ONE (1) YEAR OPTION EXTENSION  
OF CONTRACT NO. 6009 WITH NOVANIS FOR HEWLETT PACKARD  
MAINTENANCE SERVICES**

To the Honorable Board of Commissioners:

**RECOMMENDATION**

It is recommended that the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or his designee to exercise the third one (1) year option of Contract No. 6009 (“Contract”) with Novanis for Hewlett Packard Maintenance Services, for a twelve (12) month period, and to increase the Contract’s not-to-exceed compensation by \$49,728.21. The Contract’s new aggregate compensation amount will be \$229,662.63.

**Funding**  
General Fund

**RECOMMENDATION SUMMARY**

<b>Vendor:</b>	CTG Inc. of Illinois d/b/a Novanis 3161 W. White Oaks Drive Suite 100 Springfield, IL 62704
<b>Contract Type:</b>	Firm Fixed Price
<b>Contract No.</b>	6009
<b>Original Contract Amount:</b>	\$80,478.00
<b>First Option Amount:</b>	\$49,728.21
<b>Second Option Amount:</b>	\$49,728.21
<b>Third Option Amount:</b>	\$49,728.21
<b>New Total Contract Amount:</b>	\$229,662.63
<b>Original Contract Period:</b>	June 1 2006 through May 31, 2008 (24 months)
<b>First Option Period:</b>	June 1, 2008 through May 31, 2009 (12 months)
<b>Second Option Period:</b>	June 1, 2009 through May 31, 2010 (12 months)
<b>Third Option Period:</b>	June 1, 2010 through May 31, 2011 (12 months)

**M/W/DBE Participation:**

Direct: 100 % MBE          % WBE          % DBE  
Indirect:       % MBE          % WBE          % DBE  
Waiver       (Yes/No)

**Section 3: NA**

\_\_\_\_ (#) Hiring \_\_\_\_ (\$) Subcontracting \_\_\_\_ (\$) Other Economic Opportunities

**GENERAL BACKGROUND**

The Office of Information Technology Services is responsible for assuring the Chicago Housing Authority's ("CHA") technical infrastructure and essential applications are continuously maintained to support the agency's operations. Prudent business practices dictate having maintenance and service agreements in place to ensure critical business functions are maintained in good working order on an ongoing basis and restored quickly and efficiently in the event of any disruption or other impact.

The CHA issued Invitation for Bid ("IFB") # 01448 on February 23, 2006. This IFB solicited competitive bids from qualified firms and/or individuals who could provide Hewlett Packard equipment maintenance to the CHA; a total of four-hundred thirty one (431) vendors received bid invitations, sixty-one (61) vendors picked up the solicitation and eight (8) vendors responded. Of the eight respondents, CTG of Illinois, Inc. (d/b/a Novanis) submitted a proposal that was determined to be the most advantageous for the CHA.

In March of 2006, the CHA entered into a maintenance contract with Novanis for Hewlett Packard equipment maintenance services. The contract was awarded at the firm fixed price of \$80,478.00 for a two (2) year base term, with three one (1) year term option extensions, each priced at \$49,728.21. The CHA has come to the end of the second one (1) year option term and service has been satisfactory to warrant exercising the final extension option. The Office of Information Technology Services is now requesting permission to execute the provision for the third one (1) year option extension for equipment maintenance and support under Contract No. 6009 at a price of \$49,728.21.

Based on the foregoing, it is in the best interest of the Chicago Housing Authority to authorize the Chief Executive Officer or his designee, to exercise the third one year option of Contract No. 6009 with Novanis for the amount of \$49,728.21.

**RESOLUTION NO. 2010-CHA-55**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated May 12, 2010, entitled “**AUTHORIZATION TO EXERCISE THE THIRD ONE (1) YEAR OPTION EXTENSION OF CONTRACT NO. 6009 WITH NOVANIS FOR MAINTENANCE SERVICES**”,

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** The Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into the third one (1) year extension option with Novanis, for Hewlett Packard Maintenance Services, in an amount not-to-exceed \$49,728.21.

